



General Assembly

***Substitute Bill No. 1221***

*January Session, 2001*

***AN ACT CONCERNING CIGARETTE LICENSEES AND  
NONPARTICIPATING CIGARETTE MANUFACTURERS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 4-28i of the general statutes is  
2 repealed and the following is substituted in lieu thereof:

3 (a) Any tobacco product manufacturer selling cigarettes to  
4 consumers within this state, whether directly or through a distributor,  
5 dealer or similar intermediary or intermediaries, after July 1, 2000,  
6 shall (1) become a participating manufacturer, as the term is defined in  
7 section II (jj) of the Master Settlement Agreement, and generally  
8 perform its financial obligations under the Master Settlement  
9 Agreement; or (2) place into a qualified escrow fund not later than  
10 April fifteenth of [each] the year following the year in question the  
11 following amounts, as adjusted for inflation: For calendar year 2000,  
12 \$.0104712 per unit sold after July 1, 2000; for each of calendar years  
13 2001 and 2002, \$.0136125 per unit sold; for each of calendar years 2003  
14 through 2006, \$.0167539 per unit sold; for calendar year 2007 and for  
15 each calendar year thereafter, \$.0188482 per unit sold.

16 Sec. 2. Subsection (b) of section 12-15 of the general statutes is  
17 repealed and the following is substituted in lieu thereof:

18 (b) The commissioner may disclose (1) returns or return information  
19 to (A) an authorized representative of another state agency or office,

20 upon written request by the head of such agency or office, when  
21 required in the course of duty or when there is reasonable cause to  
22 believe that any state law is being violated, or (B) an authorized  
23 representative of an agency or office of the United States, upon written  
24 request by the head of such agency or office, when required in the  
25 course of duty or when there is reasonable cause to believe that any  
26 federal law is being violated, provided no such agency or office shall  
27 disclose such returns or return information, other than in a judicial or  
28 administrative proceeding to which such agency or office is a party  
29 pertaining to the enforcement of state or federal law, as the case may  
30 be, in a form which can be associated with, or otherwise identify,  
31 directly or indirectly, a particular taxpayer except that the names and  
32 addresses of jurors or potential jurors and the fact that the names were  
33 derived from the list of taxpayers pursuant to chapter 884 may be  
34 disclosed by the judicial branch; (2) returns or return information to  
35 the Auditors of Public Accounts, when required in the course of duty  
36 under chapter 23; (3) returns or return information to tax officers of  
37 another state or of a Canadian province or of a political subdivision of  
38 such other state or province or of the District of Columbia or to any  
39 officer of the United States Treasury Department or the United States  
40 Department of Health and Human Services, authorized for such  
41 purpose in accordance with an agreement between this state and such  
42 other state, province, political subdivision, the District of Columbia or  
43 department, respectively, when required in the administration of taxes  
44 imposed under the laws of such other state, province, political  
45 subdivision, the District of Columbia or the United States, respectively,  
46 and when a reciprocal arrangement exists; (4) returns or return  
47 information in any action, case or proceeding in any court of  
48 competent jurisdiction, when the commissioner or any other state  
49 department or agency is a party, and when such information is directly  
50 involved in such action, case or proceeding; (5) returns or return  
51 information to a taxpayer or its authorized representative, upon  
52 written request for a return filed by or return information on such  
53 taxpayer; (6) returns or return information to a successor, receiver,  
54 trustee, executor, administrator, assignee, guardian or guarantor of a

55 taxpayer, when such person establishes, to the satisfaction of the  
56 commissioner, that such person has a material interest which will be  
57 affected by information contained in such returns or return  
58 information; (7) information to the assessor or an authorized  
59 representative of the chief executive officer of a Connecticut  
60 municipality, when the information disclosed is limited to (A) a list of  
61 real or personal property that is or may be subject to property taxes in  
62 such municipality or (B) a list containing the name of each person who  
63 is issued any license, permit or certificate which is required, under the  
64 provisions of this title, to be conspicuously displayed and whose  
65 address is in such municipality; (8) real estate conveyance tax return  
66 information or controlling interest transfer tax return information to  
67 the town clerk or an authorized representative of the chief executive  
68 officer of a Connecticut municipality to which the information relates;  
69 (9) estate tax returns and estate tax return information to the Probate  
70 Court Administrator or to the court of probate for the district within  
71 which a decedent resided at the date of the decedent's death, or within  
72 which the commissioner contends that a decedent resided at the date  
73 of the decedent's death or, if a decedent died a nonresident of this  
74 state, in the court of probate for the district within which real estate or  
75 tangible personal property of the decedent is situated, or within which  
76 the commissioner contends that real estate or tangible personal  
77 property of the decedent is situated; (10) returns or return information  
78 to the Secretary of the Office of Policy and Management for purposes  
79 of subsection (b) of section 12-7a; (11) return information to the Jury  
80 Administrator, when the information disclosed is limited to the names,  
81 addresses, federal Social Security numbers and dates of birth, if  
82 available, of residents of this state, as defined in subdivision (1) of  
83 subsection (a) of section 12-701; (12) pursuant to regulations adopted  
84 by the commissioner, returns or return information to any person to  
85 the extent necessary in connection with the processing, storage,  
86 transmission or reproduction of such returns or return information,  
87 and the programming, maintenance, repair, testing or procurement of  
88 equipment, or the providing of other services, for purposes of tax  
89 administration; (13) without written request and unless the

90 commissioner determines that disclosure would identify a confidential  
91 informant or seriously impair a civil or criminal tax investigation,  
92 returns and return information which may constitute evidence of a  
93 violation of any civil or criminal law of this state or the United States to  
94 the extent necessary to apprise the head of such agency or office  
95 charged with the responsibility of enforcing such law, in which event  
96 the head of such agency or office may disclose such return information  
97 to officers and employees of such agency or office to the extent  
98 necessary to enforce such law; [and] (14) names and addresses of  
99 operators, as defined in section 12-407, to tourism districts, as defined  
100 in section 32-302; and (15) names of each licensed dealer, as defined in  
101 section 12-285, and the location of the premises covered by the dealer's  
102 license.

103 Sec. 3. Subdivision (9) of section 4-28h of the general statutes is  
104 repealed and the following is substituted in lieu thereof:

105 (9) "Tobacco product manufacturer" means an entity, or its  
106 successor, that, after July 1, 2000, directly and not exclusively through  
107 an affiliate (A) manufactures cigarettes anywhere which the  
108 manufacturer intends to be sold in the United States, including  
109 cigarettes intended to be sold in the United States through an importer,  
110 provided that an entity that manufactures cigarettes that it intends to  
111 be sold in the United States shall not be considered to be a tobacco  
112 product manufacturer under this subparagraph (A) if (i) such  
113 cigarettes are sold in the United States exclusively through an importer  
114 that is an original participating manufacturer, as that term is defined in  
115 the Master Settlement Agreement, that will be responsible for  
116 payments under the Master Settlement Agreement with respect to such  
117 cigarettes as a result of the provisions of subsection II (mm) of the  
118 Master Settlement Agreement and that pays the taxes specified in  
119 subsection II (z) of the Master Settlement Agreement, and (ii) the  
120 manufacturer of such cigarettes does not market or advertise such  
121 cigarettes in the United States; or (B) is the first purchaser anywhere  
122 for resale in the United States of cigarettes manufactured anywhere  
123 that the manufacturer does not intend to be sold in the United States.

124 A tobacco product manufacturer shall not include an affiliate of a  
125 tobacco product manufacturer unless such affiliate itself meets the  
126 criteria specified in subparagraph (A) or (B) of this subdivision.

127 Sec. 4. This act shall take effect from its passage.

***FIN***        ***JOINT FAVORABLE SUBST.***